



Birmingham Triangle District  
Corridor Improvement Authority  
Thursday, January 22, 2015  
Birmingham City Hall  
151 Martin  
Commission Room #205  
8:30 a.m.

### Minutes

1. Mayor Sherman called the meeting to order at 8:34 a.m.

2. Roll Call:

Present: Mayor Sherman  
Mr. Cantrick  
Mr. Cataldo  
Mr. Fuller  
Mr. Hays  
Mr. Saroki

Absent: Mr. Ziegelman

Others Present: City Manager Valentine, Planning Director Ecker, Finance Director Gerber, City Engineer O'Meara, City Planner Chapman, LSL Planner Duffy, Bond Counsel McGow, Deputy Clerk Arft

3. Approval of minutes from November 26, 2014:

**MOTION:** Motion by Saroki, seconded by Cantrick:  
To approve the minutes of November 26, 2014.

VOTE: Yeas, 6  
Nays, None  
Absent, 1 (Ziegelman)

Motion carried.

4a. Public Hearing to consider recommending approval of a Development Plan and Tax Increment Financing Plan for the Birmingham Triangle District to the City Commission.

Mr. Saroki wished to disclose that he has professional and economic involvement in the triangle area property contained in the development area, and therefore he requests to

be recused from voting. He will participate in the discussion. There were no objections to the request from Mr. Saroki.

Mr. Fuller asked what the obligation is of a member to disclose any interest. Mr. Fuller described the properties he has interests in, and it was agreed that it would not be necessary to recuse himself.

Mayor Sherman opened the Public Hearing at 8:38 a.m.

City Planner Ecker briefly described the changes to the plan made after the last meeting. She noted that notices of this meeting were sent out to all who are in the district.

Kathleen Duffy of LSL Planning was introduced and briefly described the purpose of the Corridor Improvement Authority. She reviewed some of the work that has taken place relative to parking studies and needs, structure size and potential locations. She noted the purpose is to capture the increase in taxes from redevelopment to fund public parking in the district. The boundaries are generally from Woodward to Adams to Maple, with the residential areas excluded. The numbers have been updated from the prior draft relative to land acquisition costs and potential parking structure costs.

Within the development plan, changes relative to zoning permitting higher intensity development have already occurred. The tables in the Tax Increment Financing Plan have been updated to reflect a conservative assumption development rate of 2.5%. The bond discussion has been eliminated from the current plan.

Ms. Ecker reviewed the 2007 plan and the identified need for public parking facilities in the district, and explained how the funding occurs relative to the capture of increase in taxes.

The Development Plan has been updated with current parking conditions. The plan envisions constructing two parking structures. The land acquisition and construction costs will use 2015 dollars. The possibility of developing a surface parking lot was also discussed. Dates have been updated using a phased approach. There was also a discussion of other funding mechanisms, such as a special assessment district. Taxable value of all district properties has been updated.

The Estimated Captured Assessed Value chart was updated to begin in 2015 and end in 2040, and does not include new development. The chart assumes only inflationary growth of 2.5%. Any new development within the district would increase the capture. Mr. Saroki asked why 820 E. Maple was not included in the chart. Ms. Ecker responded that it was decided to use the basic, most conservative plan in the design of the plan.

Mr. McGow confirmed that under Michigan law, both the Zoo and DIA taxes cannot be captured.

The updated total cost of two parking structures is approximately \$3.9 million, which is the maximum amount of bonded indebtedness to be incurred by or on behalf of the City of Birmingham Corridor Improvement Authority. The chart breaks down land

purchases in 2015 and 2016. Ms. Ecker also noted that the duration changed from 2015 to 2040.

At this time, Mayor Sherman invited discussion from the floor. He reiterated that this plan is not a new tax increase, but reallocates tax revenues from the various end entities into the TIF district for the single purpose of creating parking in the Triangle District. It has nothing to do with the bottom line number being paid by the taxpayer for property taxes. The City is trying to increase the opportunity to develop in the district by increasing the value of what is there, and create a desire to use this area by adding parking availability.

Scott Meldrum, a dentist on Elm and Forest, is concerned about parking with the All Seasons development overtaking the triangle district and asked where the structures are going to be built. Ms. Ecker responded there is no funding yet, so no land has been purchased at this time. The plan indicates that structures are planned for in the northwest and the southwest corners, depending upon development in the district. Mayor Sherman also noted that the CIA identified some potential parcels that would be appropriate. Ms. Ecker noted the plan provides for public parking or a public-private partnership or joint venture with a developer wishing to develop on their property. No one area parcel has been identified clearly as being the one to purchase at this time.

Mr. Meldrum asked if the City was planning to demolish buildings. Ms. Ecker responded that the City is not planning to take buildings, but rather would work with private property owners who want to sell and to purchase from them and try to coordinate some public parking in the development process.

Ms. Ecker explained the next step after approval of the plans here today, is for the City Commission to review and approve the Development and Tax Increment Financing plans. If they approve, that results in the 2014 values being locked in terms of future tax revenues, and anytime there is an increase in tax revenues, it will be captured for the district.

Mr. Meldrum stated that when All Seasons is completed, there will be an increased urgency for parking in the area. Ms. Ecker noted that the company is currently looking to area property owners to obtain temporary parking for their residents and guests for the first 18 months or so. They have indicated that after a period of time, the demand for parking drops off.

Mr. Cataldo asked what effect All Seasons will have on the TIF fund. Mr. McGow estimates that the All Seasons development will capture approximately \$300,000 for the TIF fund. It was agreed that it is very important that the plans are taken to the City Commission by the May date. The City Commission will hold a single public hearing on the adoption of the plans. There is a 60 day time period after that hearing for the taxing entities to opt out.

There being no other comments, Mayor Sherman closed the Public Hearing at 9:10 a.m.

**Motion** by Mr. Fuller, seconded by Mr. Cataldo:

To recommend approval of the Development Plan and Tax Increment Financing Plan for the Birmingham Triangle District by the City Commission on or before May 11, 2015.

|       |         |               |
|-------|---------|---------------|
| VOTE: | Ayes    | 5             |
|       | Nays    | None          |
|       | Absent  | 1 (Ziegelman) |
|       | Recused | 1 (Saroki)    |

Motion carried.

- 4b. City Engineer O'Meara provided an update on the parking study committee. The counting effort occurred last week, and the numbers will be finalized later this week. There will be an Ad Hoc Parking Study Committee meeting next Tuesday afternoon and hopefully some decisions will be made at that time to take recommendations to the City Commission.

Mayor Sherman asked that Mr. O'Meara provide each member of the CIA a copy of the committee's plan when finalized.

Mr. O'Meara noted the plan includes existing and proposed opportunities for both the Central Business District and Triangle District and will show what the future needs will be, based on expected development in both areas, and contain some ideas of how to address those needs.

Mayor Sherman and Ms. Ecker noted that the City Commission will be discussing parking needs in general at the Long Range Planning meeting on Saturday, January 31, 2015, beginning at 8:30 a.m.

Mr. Fuller asked if there has been any discussion of the financing for the parking structure in the Central Business District. Mr. O'Meara noted only light discussion has taken place. He noted that the parking fees were raised last year, and an increase is planned for this year in an effort to build up funds in the account to assist in the funding of the construction.

Ms. Ecker indicated the CIA would meet again in May or June.

Mayor Sherman adjourned the meeting at 9:16 a.m.

Cheryl Arft  
Deputy Clerk